IDCON

Quickstudy

The Path to Real-Time Connectivity:
An API Road Map
for Insurance Carriers

Forward-thinking carriers are adopting API strategies to support real-time member enrollment and eligibility experiences. Making the right strategic decisions now will set you up for long-term success.

Introduction

Insurance carriers that provide health, dental, life, and other employee benefits have a lot to think about these days. From claims processing and member engagement to sales channel development and marketing, digital technologies are changing the very nature of how carriers do business.

Why?

It's all about providing user experiences that meet today's consumer needs and expectations: fully-digital, fast, intuitive, and mostly automated.

That point rings true for enrollment and member management, too. Most carriers know why they must improve enrollment experiences for brokers, HR teams, and members — faster onboarding, fewer critical errors, and a smoother, automated end-to-end process. What's also becoming clear is how they'll get there:

Although EDI is the status-quo technology for connecting with third-party payroll, HR, and benefits administration (BenAdmin) platforms, APIs are the coming standard that will support real-time enrollment experiences.

Some leading carriers have already developed their own APIs, creating a means of exchanging information with today's digital ecosystem in real-time. Carriers that remain API-free risk falling behind their more digitally advanced competitors, but the right strategy can help them catch up without a resource-draining system overhaul.

Getting started requires more than just putting your best engineers on the job. It's essential to zoom out and develop a thoughtful API blueprint:

Carrier APIs must support different functionality at different parts of the typical user journey. Choosing where to focus first will have long-term implications.

Getting the API development sequence right will result in better experiences for members and increase carriers' operational efficiency, maximizing the value of their API investments.

## So what is the ideal sequence?

This API QuickStudy is meant to answer that crucial question, with a proposed roadmap for API development that forward-thinking carriers should find useful.

How to think about carrier API development

The sequence is as critical as the API functionality. For example, there's limited benefit to creating an API for new group applications if those groups can't then be managed digitally, via an API.

Your first API should streamline the exchange of data that…

- is most important to your external partners
- will have the most significant impact on your team's efficiency
- will lay the foundation for future APIs
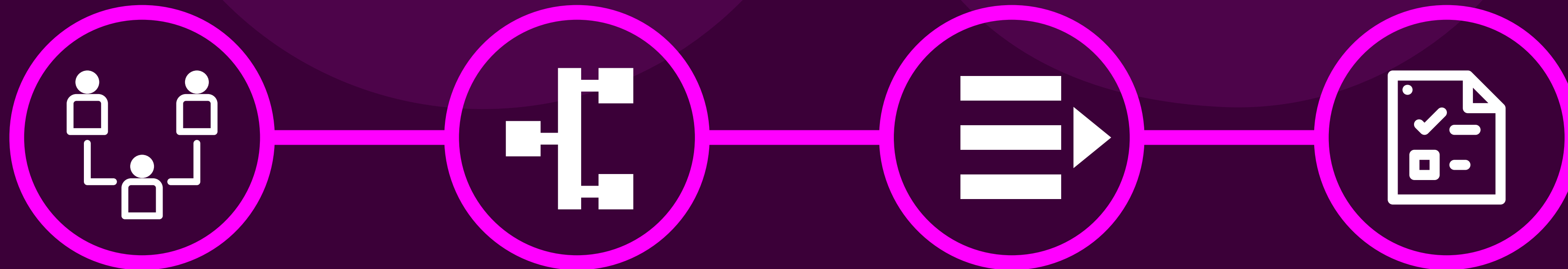
Group Member Roster API

What does it do?

This API returns a complete, detailed census of the members of a group—subscribers and their dependents—along with the coverages in which they are enrolled.

What data is involved?

- Subscribers
- Dependents
- Demographic information, such as birth date and social security number
- Employment status
- Coverages

How do external partners use this API?

Third parties—including Ideon and HR/BenAdmin platforms—pull the member roster and compare it to what's recorded in their system. Any discrepancies are logged and rectified.

What bottom-line value does a Group Member Roster API bring to carriers and third-party platforms?

This automated process reduces the operational burden for both platforms and carriers. It ensures the data is in sync and decreases carriers' reliance on analysts to identify and triage errors and discrepancies. The API also allows platforms to fix data issues quickly and proactively—before they spiral into a member problem—resulting in a better experience for members and fewer complaints for carriers to resolve.

Group Member Roster API

Why build a Group Member Roster API first?

As outlined above, your first API should streamline critical processes for your external partners and your team, while paving the way for additional API development.

The Group Member Roster API --meets all three conditions:
It enables carriers' platform partners to solve one of their biggest challenges—keeping their member data and elections in sync with the carrier; it rvesults in carriers receiving cleaner data, which decreases their operational costs and supports a better member experience; and it forms the basis for further API functionality, such as Group Member Management.
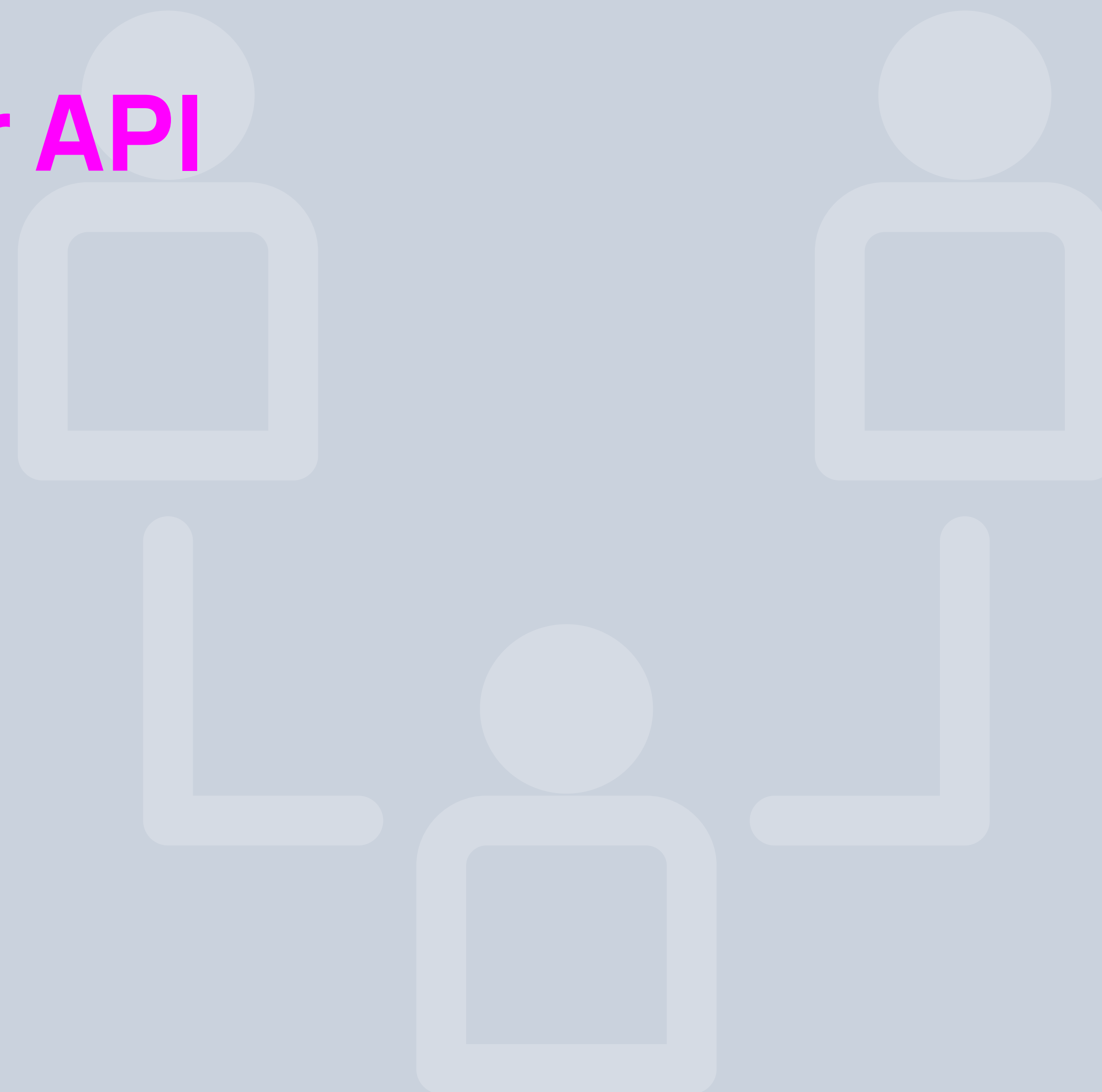
Group Account Structure API

What does it do?

This API returns the account structure, which includes the plans, rates, and eligibility rules offered by a specific group, along with any group classifications that they may have. This information allows benefits platforms to transmit enrollments and member changes with the correct identifiers so that the carrier systems recognize the plan elections.

What data is involved?

- Plan information
- Plan ID
- Plan name
- Plan rates
- Eligibility rules
- Product line
- Group ID
- Billing groups
- Group classes

How do external partners use this API?

These third-party enrollment partners need the structure in order to transmit group and member information to the carrier accurately and in a timely manner. Typically, these partners request account structures from carriers during the onboarding of an employer group.

What bottom-line value does a Group Account Structure API bring to carriers and third-party platforms?

The current process of platforms acquiring account structures typically involves multiple emails, and, at times, error-prone manual data entry. This can be time-consuming and cause delays in groups enrolling with carriers. The Group Account Structure API ensures that the carrier can share account structure data fast, accurately, and broadly. The API also reduces onboarding time for getting a group into an automated process for member additions, terminations, and other year-round administrative tasks.

Group Member Management API

What does it do?

This API allows platforms to add, edit, and terminate member enrollments for a group that is already enrolled with the carrier.

What data is involved?

- Demographic information for subscribers and dependents
- Employment status
- Qualifying life events
- Plan elections

How do external partners use this API?

Platforms can transmit all demographic, employment, and coverage information for qualifying life events through this API in order to ensure the carrier system is synced with the enrollment elections made by the members of a group.

What bottom-line value does a Group Member Management API bring to carriers and third-party platforms?

Replacing forms or files, like EDI, this API automates the transmission of enrollment elections. Real-time, automated transactions eliminate time-consuming delays in waiting for an email to be delivered or files to be transmitted and processed.

Ultimately, the API makes enrolling a member faster and easier: The API quickly returns whether the member transaction was processed, allowing for platforms and enrollees to have better visibility into the status of their requests. This feedback loop also reduces the operational burden on the carrier teams, who have to manage election processing and convey data issues to downstream partners.

New Group Installment API

What does it do?

This API allows platforms to submit group applications to a carrier digitally, rather than applying via paper forms or other manual methods.

What data is involved?

- Group information, such as tax number, addresses, number of employees, etc.

- Producer(s) of record

- Employer signatures

- Plan information, such as carrier-specific plan codes, descriptions, and product line

- Employee classes and divisions

- Subscriber and dependent data

How do external partners use this API?

Platforms transmit applications through this API to enroll groups for the first time with the carrier. The API works best when the Group Member Management API is already in place so that platforms can transition those successful applications into a member management state, where future election changes can be delivered automatically.

What bottom-line value does a New Group Installment API bring to carriers and third-party platforms?

A New Group Installment API delivers value in two primary ways: It automates the application process, freeing carriers, benefits platforms, and brokers from submitting applications, supporting documents, and signatures manually; and it removes several manual touchpoints, resulting in fewer data entry errors and faster application processing.

Conclusion

There's little doubt that the employee benefits industry needs real-time connectivity between carriers and HR/benefits platforms. And APIs are the clear long-term solution, a replacement for inefficient, custom-built EDI integrations and manual processes that are resource-intensive and prone to errors.

But the API revolution won't be instantaneous. Carriers must be thoughtful about which APIs they develop and the order in which they develop them. Otherwise, they risk replacing the technical issues they are trying to solve with an entirely new set of connectivity challenges.

Ideon supports our carrier customers in this critical transformation in three ways:

- Connect existing carrier APIs to a vast (and growing) network of benefits platforms for fast, scalable data exchange.

- Enable carriers to enhance their current EDI-based data exchange capabilities, without any IT investment.

- Serve as strategic and technical advisors to our customers as they build their own APIs.

About Ideon

Ideon is the way health insurance carriers and employee benefits providers connect with new technology partners to deliver seamless consumer experiences at every stage of the member journey. We are not the websites or apps you use to choose a plan or find a doctor. We are the infrastructure, the 'pipes,' that simplify the complex exchange of quoting, enrollment, and eligibility data between carriers and the technology partners so that they can, in turn, deliver health and employee benefits to hundreds of millions of Americans everyday. Our APIs transmit billions of data points between InsurTech and insurance carriers, powering an amazing benefits experience for all. Faster. Better. Awesomely.

**Get in touch
to learn more.**

If you're ready to reimagine your digital connectivity, begin developing your API roadmap with Ideon's expertise at your side. Contact us today.